Power to levy ta$_x$ on transfer of goods from ouc State to other

'2227. SHRI VI IENDRA VERMA: *Wi'd* the Ministtr of FINANCE be pleased to state;

(a) whether it is a fact that with the 46th amendm ?nt to the Constitution in 1983 ves ing powers to levy tax on transfer /f goods from one State to the oth r with the Central Government to a^ Did, evasion of taxes and to augment he resources of the State Government i an amendment to the Sales Tax Act, 1956 or a new legislation in this regard was required to be done in oiler to achieve the aims and objects envisaged in the amendment to the Constitution;

(b) if so, whal are the reasons for delay in bringin, suitable egislation in this regard d spite requests from the various State Governments and the recommendJ "ions made at the Chief Ministers Conference held on 24.3.84 and 28-5-14 and also by the Planning Comm ssion and the National Developme it Council; and

(c) when the i equisite legislation is proposed to be brought forward by the Government?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE *U* INISTRY OF FINANCE (SHRI B. K. GADHVI): (a) to (c) There wer < reports from various State Governments to whom the revenues from Central sales tax have i assigned as to large scale avoidance of Central sales tax leviable on inter-State sales cf goods through the device of consignment of goods from one State to another. The Constitution was, thereto u, amended through the Constitution (Forty-sixth Amendment) Act, 1982 to enable inter-alia the levy of tax cfa inter-State consignment of good:. The matter was discussed in the Chief Ministers' Conference hed in New Delhi on 2.11.1983 and on 28th May 1984. The latter Conference recom nended byl consensus different $_a$sP*cts of framing a legislation for taxing inter-State consignment of goods. As some of the issues involved are required to be sorted out, it has not been possible yet to take final decision.

Rate of inflation

2228. DR. BAPU KALDATE;

SHRI M. S. GURUPADA-SWAMY:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the inflation rate has been going up recently;

(bj what was the rise in first few weeks of 1987-88;

(c) whether this is more than what it was in 1986-87; and

(d) what are the main reasons for such steep rise in the rate of inflation?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI); (a) to (d) The rate of inflation in terms of W.P.I, during the 17 weeks of **the** current financial y^Bar ending 25th July. 1987 (latest available) was 6.2 per cent as against 5.6 per cent in the corresponding period of 1986-87.

The pressure on prices at this time of the year has been mainly caused by seasonal factors, which has been aggravated by the drought conditions.

Companies having interest of Reliance Industries Ltd. in Isle of Man

2229. DR. BAPU KALDATE:

SHRI M. S. GURUPADA-SWAMY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that En-forcement Directorate had investigated into the companies having interest of Reliance Industries Ltd. in Isie of Man**;**